



Innovative Social Policies for Inclusive and
Resilient Labour Markets in Europe



Work Packages 4 & 5 – Implementation of Policy Innovations and Processes of Policy learning in Belgium

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<p style="text-align: center;">Abstract:</p> <p>This report, processed as one of the deliverables of the INSPIRES programme (FP7), contains examples of innovative measures and policy learning cases from recent Belgian labour market policy. Three innovations targeted older workers or older unemployed persons, two of which are elaborated on as examples of policy learning (Pension Age Reform; Activation of early retirements due to collective redundancies). Two other innovations targeted the young unemployed, of which the Flemish Youth Employment Plan was retained as an example of policy learning. In addition to the Belgian context and the policy learning infrastructure, a hypothesis was formulated on the likelihood and the performance of policy learning and the factors responsible for it.</p>

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Preface

This document contains the research findings for the Work Packages 4 and 5 of the Belgian part of INSPIRES. The European FP7 programme INSPIRES (<http://www.inspires-research.eu/>) gathers and analyses current practices which qualify as policy learning in the domain of labour market policy. Part 1 of this report responds to the Work Package 4, selecting 5 policy innovations and looking at the drivers for them. Part 2 narrows the focus to policy learning properly in three of these cases. The data were gathered through document study and interviews with relevant stakeholders. Due to agreements with the interviewees, the attribution of which specific answers were revealed by which interviewee cannot be disclosed. Conclusive statements used in this report have however been subject to triangulation.

1. In depth analysis of the implementation of policy innovations in Belgium (WP4)

1.1. Introduction to the policy innovations

Continuing on the data gathering for the Work Packages 2 and 3 of the INSPIRES project in Belgium, this paper focuses on labour market policy innovations which may hold important lessons for insight into the mechanisms and the practice of policy learning (Van Dooren et al., 2013; Van Dooren et al., 2014).

The context in Belgium is marked by repeated warnings from the EU to Belgium to keep its annual budget deficit below 3% of its GDP. European Semester has been explicit in the request for structural measures which would have a direct effect on revenues, expenditures and economic growth at large. As the INSPIRES WP3 Belgium Report explained, Belgium suffers from below-average and stagnating labour market participation and high (un)employment disparities across regions and population subgroups (Van Dooren et al., 2014, p.12). This low labour market participation comes with a considerable macro-economic cost.

This means that from a relevance point of view, the measures selected for this component (WP4) of INSPIRES should target labour market participation of subgroups understood to be particularly problematic. However, macro-economic and social relevance are not the only selection criteria. The measures chosen should also feature an innovative element and be evidence-based. In Belgium, this is not necessarily a forthcoming proposition. Policy makers tend to be dug in along leftist-rightist as well as federalist-regionalist divides, often limiting the manoeuvring space to honourable compromises rather than shared evidence-based insights. Moreover, most knowledge producers (including academia) are considered to belong to an ideological pillar, resulting in neutral expertise being left to just a handful of institutions (such as the National Bank and the Planbureau) and short-lived specialised ad hoc committees. That does not mean that evidence and expertise would be completely absent in policy making. The policy innovations in this paper will show, however, that evidence is more often than not inseparably tied to other factors, such as power, ideology, tradition and the influence of street-level institutions.

The abrupt school to work transition and the legacy of early retirement schemes have been described in the WP3 deliverable (Van Dooren, 2014, p.20-22) as bottlenecks that have notably triggered policy innovation and inventiveness (Hoj, 2013, p.16). The five measures selected in this paper therefore refer to the young (-25) and older employed or unemployed persons (50+).

In sections 1.2.1 to 1.2.3 the cases are introduced including the particular motivation as to why they were selected. Section 1.2.4 gives an analytic presentation of each of the innovations, including the timeline, the factors leading to it, the actors involved, the (expected) impact and the knowledge infrastructure either used or underused. Section 1.2.5 reprises the key-variables and how they unfold in the five innovations. Section 1.3 assesses in a narrative way the influence exercised from the key-variables on the performance of the respective innovations. A fourth section summarises these findings in a conclusive format.

1.2. Analytic description of the selected innovations

1.2.1. Selected innovations

Table 1.2.1. – Overview of the selected innovations

Innovation	Description (and reference in Annex 1 of WP3)	Target group
Innovation I: Reform of the pension age regime	In Belgium several measures have been taken to increase the actual age at retirement. Between 1997 and 2009, the female retirement age was gradually aligned with the male one. In 2009, the statutory pension scheme for women was aligned with that of men by raising the statutory retirement from 60 to 65 years and extending the length of working career to qualify for a full pension from 40 to 45 years. Several early retirement systems (early retirement, pré-pension) which enabled workers to retire before the legal age of retirement have been reformed by tightening up access conditions. By mid-2014, the newly formed federal government decided to also lift the legal retirement age from 65 to 67. (4)	Older workers
Innovation II: Employment plan for elderly workers at company level	Since 2013, it is agreed that any company with more than 20 employees have to establish an action plan, containing measures, to maintain or increase the numbers of workers aged 45 or older in a company. The action plan should be tailored according to the company's size and activity and to the extent it aims to maintain or increase the employment of aged workers. (5)	Older workers
Innovation III: Monitoring job search scheme (as applied for 50+; the so-called 'adapted' availability)	Since the introduction of a new monitoring job search effort scheme in 2004 (and the reform in 2012) the receipt of unemployment benefits is more closely linked to active job seeking. Job seekers are closely monitored in their job search and have to prove they are actively searching for work. The programme starts with a notification letter, sent to the jobseeker, to remind him/her that she must be actively seeking employment. Afterwards, a series of interviews follow, where past job search effort is evaluated on the basis of proof delivered by the jobseeker. If a jobseeker gets a negative evaluation, an action plan is prepared outlining the next steps to be taken. Sanctions may apply to unemployed if their efforts seem to be insufficient or in case of non-compliance. This can include temporary reduction, suspension or permanent cessation of benefit payments. The 2012 reform reformed and intensified the follow-up of jobseekers, especially the follow-up on older and younger unemployed. As it appeared by October 2014, the newly formed federal government of Prime Minister Michel had planned to apply this search scheme for older unemployed persons, not just for 'ordinary' unemployed persons but those unemployed due to collective redundancies. The concept 'adapted availability' was proposed for the latter. The idea was that a person in this group was to apply for suitable jobs, in compliance with his/her customised plan. The plan, which is to be provided within 6 months after being made redundant, may also include training or outsourcing. (19)	Older unemployed
Innovation IV: Non-response pilots (as a step-up to Youth	The Flemish PES (VDAB) collaborated in nine pilots with coaches of local private non-profit social work partners familiar with the group of hard to reach young jobless people to (1) reach out to the target group by searching them proactively in the city, and (2) support them in their (re)insertion in the labour market. These young people were to receive	Young unemployed

Employment Plan)	the whole package of services – intensive coaching, job hunting and mediation, job coaching even after finding employment – from one coach to enable them to build trust in their coach. The different phases could overlap and be repeated; it was not meant as a linear pathway. The expertise from partners in different policy domains were brought together and innovative techniques and instruments were used: outreach strategies and attention was paid to the removal of non-employment related barriers like welfare issues or housing problems.(28)	
Innovation V: Integration allowance (reform of the waiting allowance)	<p>Waiting allowances are a specific form of unemployment allowances granted to young school leavers in Belgium who never worked and consequently never contributed to the unemployment benefit system. They can receive a waiting benefit after a certain “waiting period” (unpaid period between leaving education and receiving the 1st allowance).The benefits are lump sums depending on their age and family situation, and are only slightly above the level of social assistance benefits.</p> <p>The reform of the waiting allowance in 2012 tightened the eligibility conditions for this benefit to strengthen job search incentives and prevent abuse of the measure: (1) The “waiting period” has been extended from 6,9,12 months (depending on age) to 12 months for all new applicants. (2) The duration of the benefit (previously unlimited) has been limited to three years, although there are some exceptions. (3) The benefit is restricted to under 30 years old.</p> <p>The waiting period has been renamed into professional integration period while “waiting allowances” turned into “integration allowances”. The Michel government (2014) further restricted the criteria for obtaining an integration allowance. (9)</p>	Young unemployed

1.2.2. Selection criteria or rationale

The criteria used for selecting the cases are on the one hand the relevance they hold in terms of adjusting the Belgian labour market to the desired shape and quality, and on the other hand the innovative character they appear to demonstrate.

Relevance here means that the selected policy measures had the ambition to generate a solution for recurring problems in the Belgian labour market. The context is relatively low labour market participation of certain groups, with people settling into unemployment or early retirement schemes. The selected measures therefore fall under activation. The ‘problem groups’ the measure targets are young unemployed persons, given the abrupt school to work transition, and older workers and unemployed persons, given the legacy of early retirement schemes. The other ‘problem group’, i.e. those with a migrant background, has not been selected because the debate on migrant workers’ participation in the Belgian labour market is heavily contaminated by the stance of a right-wing political party having monopolised this issue over the years.

Whether the selected measures would be an example of innovation and hold policy learning potential is to some extent subject to speculation at the time of selection. We considered however that most insight is not to be gained by ‘best practices’, but by cases demonstrating how innovation and evidence can play a role aside from (or in competition with) other drivers such as power, ideology or tradition. We therefore have chosen cases with a history, and cases that together represent the diversity of policy measures: cases at federal level or at regional (Flemish) level; cases with compulsory or with solely guiding regulation, and -importantly - cases suggesting different levels of learning through the order of changes they cover. Hall (1993, p. 281) makes a distinction between first-order changes (at the level of policy instrument settings), second-order changes (at the level of policy instruments themselves) and third-order changes (at the level of the overarching goals). Whereas first-order changes could be qualified as *operational* and second-order changes as *strategic*, third-order changes hold a *paradigmatic* element.

Presented as a matrix:

Table 1.2.2. - Selection criteria

Target group	Federal (Belgian) level	Regional (Flemish) level
Older	Innovation I: Reform of the pension age regime <ul style="list-style-type: none"> - Compulsory - Changes at instrument level (strategic) Innovation II: Employment plan for older workers at company level <ul style="list-style-type: none"> - Guiding - Changes at goal level (paradigmatic) 	Innovation III: Monitoring job search scheme (as applied to 50+; the so-called ‘adapted’ availability) <ul style="list-style-type: none"> - Compulsory - Changes at settings level (operational)
Young	Innovation V: Integration allowance (reform of the waiting allowance) <ul style="list-style-type: none"> - Compulsory - Changes at settings level (operational) 	Innovation IV: Non-response pilots (as a step-up to Youth Employment Plan) <ul style="list-style-type: none"> - Guiding - Changes at instrument level (strategic)

Innovations 1, 3 and 4 will be converted into the cases we will elaborate on in light of policy learning in Part 2 of this report. These three measures are not isolated in the moment of their design but should be understood through the history of approaches to the issue they respond to. The interaction between policy and evidence has played a significant role in the creation of these measures as well as in the form they have taken.

1.2.3. Table presentation of the selected cases

Table 1.2.3 Characterisation of the selected cases

Innovation	Goals	Target groups	Level	Type of measure	Type of strategies	Expected impact
Innovation I: Reform of the pension age regime	Retention of employees & financial sustainability of pension system	Older workers	Federal (Belgium)	Law	Structural	Labour market participation rate & budget
Innovation II: Employment plan for older workers at company level	Retention of employees through workability	Older workers	Federal (Belgium)	Collective Agreement	Creating conditions for local implementation	Workability
Innovation III: Monitoring job search scheme (as applied to 50+; the so-called 'adapted' availability)	Integration of older unemployed into the labour market (activation)	Older unemployed	Federal + Regional (Flemish) / Devolution	Regulation	Activating a described category	Employability
Innovation IV: Non-response pilots (as a step-up to Youth Employment Plan)	Integration of NEET youths (not in employment, education of training) into the labour market (activation)	Young unemployed	Flemish region	Pilots (experimental)	Creating a methodological frame	Prevention of deprivation / Employability
Innovation V: Integration allowance (reform of the waiting allowance)	Integration of graduates/drop-outs into the labour market (activation)	Young unemployed	Federal (Belgium)	Law	Activating a described category	Unemployment 'trap' / Employability

1.2.4. Analytic presentation of each innovation

In this chapter we identify the main parameters and the Belgian or Flemish (regional) peculiarities that affected the development, implementation and performance of the selected innovations. Each innovation will be introduced by a short summary. Further on, the narrative will cover the historical background, the drivers of the innovation, the format and implementation, the perceptions on effectiveness and impact, and - foreshadowing the policy learning part - a brief assessment of the measure's degree of innovativeness and its contribution to a more resilient and inclusive labour market.

Innovation I: Reform of the pension age regime

In a nutshell

After years of debate and attempts to raise the actual retirement age so that it corresponds with the legal retirement age, the new Belgian federal government ('Michel 1') decided to raise the legal retirement age to 66/67 (by 2025/2030). This came as a surprise as it was not announced in the electoral programmes of the coalition partners. The rationale of the measure has been subject to controversy and speculation ever since.

Background

During the 1970s and 1980s, the end-of-career debate was part of the larger debate on unemployment. It was felt that older workers were blocking opportunities for the young who entered the labour market. Collective redundancies in the so-called 'old industries' (steel and textile) provided the opportunity to launch **early retirement schemes**, based upon collective agreements at sector or company level.

By the 1990s, the debate was disconnected from the unemployment issue and moved towards the **ageing issue**. Doubts about the financial sustainability of the pension system were already pronounced. Employees were encouraged to make sure their retirement would be secured by adding private pension schemes to the legal pension they are entitled to. But more fundamentally, it was felt that people would have to work longer. This was an element of the active welfare state concept. Based to some extent on the experiences of the Blair Administration in the UK, the then Minister of Work Frank Vandenbroucke thought the employment rate of people older than 50 was to increase dramatically in order to preserve the pension system for future generations (Vandenbroucke, 1999; Vandenbroucke, 2000). These ideas and reflections were subject to negotiations between the social partners, who procrastinated so long that in 2005 the federal government (Verhofstadt II) decided to launch a package of measures which would become known as the **Generation Pact**. Measures included an incremental raising of the early retirement age (to 60), bringing in the condition of actual career length in addition to age, re-entry incentives for older unemployed persons, additional compensation from the employer for redundant employees who are not entitled to early retirement (the so-called Canada Dry arrangement), pension bonus for those who continue working after pension age, 80% part-time schemes for 50+/55+ employees, etc. The measures, however low the proposed standards, led to social unrest which brought the social partners to an agreement that watered down much of the Generation Pact (e.g. lowering the early retirement age to 56 again by 2011).

The effectiveness of the Generation Pact was severely questioned, not just by the European Commission (stating in 2008 that the Belgian employment rate for 55-64 year olds was 35% compared to the EU average of 45%), but also by labour market researchers (Denys, 2006; Bevers & Van Thuyne, 2009) and official study commissions (Federal Plan Bureau, 2010).

It was noticed that early retirement schemes remained popular in company or sector-specific collective agreements and that the principle of actual career length was undermined by so-called equivalent periods (career breaks, unemployment periods, etc.). However, re-entry incentives and the stipulation that rights would not be lost in the case of re-employment gone wrong were evaluated as a positive aspect. Learning from the observation that the social partners did not make much progress in increasing the employment rate for 55-64 year olds, the Di Rupo Administration (2011-2014) usurped the issue, leading to a '**Generation Pact Bis**'. This new set of measures included that early retirements coming from collective redundancies would still be granted from the age of 52, while those coming from collective agreements would have to be 60. Individual applications for early retirement would only be considered from the age of 62. The Generation Pact Bis was meant to accelerate the pace of raising the actual retirement age. Still, budget austerity pundits were not happy. Existing collective agreements did not fall under this regulation. While in 1999 the average age at retirement for male Flemish employees was 58.8, the average age in 2013 was 59.8. The employment rate of the age group 55-64 in Flanders was still only 43.3% in 2014, compared to 60% in the Netherlands and 64% in Germany (figures from Steunpunt WSE). The majority of people retired early, claiming rights from collective agreements signed in the past as still significant.

Meanwhile the Europe 2020 strategy for employment had set the target for a 75% employment rate for the active population (age 20 to 65), 60% for the 50+ segment and 50% for the 55+ segment, still a long way to go for Belgium (as for the Flemish region). The European Commission's **Country Specific Recommendations** for Belgium held the urgent call to markedly increase the effective retirement age. The tone sharpened year by year. In 2011, the recommendation was to prevent early exit from the labour market (European Commission, 2011). In 2013, it recommended stepping up efforts to close the gap between effective and statutory retirement age (European Commission, 2013). In 2014, it added the recommendation to promote activation ageing in order to align the statutory retirement age to changes in life expectancy (European Commission, 2014).

Given this sense of urgency and the political controversy, the Di Rupo federal government installed a **Commission for Pension Reform**, of which the Socialist Frank Vandenbroucke was the most prominent member. By June 2014, while a new federal government was in the making, this commission presented an impressive report, pleading for a shift from physical age to career length as a criterion in determining the moment of retirement, the right to retire earlier and the pension rates (Commission for Pension Reform, 2014). However, the report also suggested that - notwithstanding a great many reservations and accompanying measures - the legal retirement age could be raised to 66 in 2025 and 67 in 2030. (Commission for Pension Reform, 2014, p.182). This was quickly picked up by the conservative press (e.g. Trends, 2014) and conservative think-tanks (De Vos, 2014). Earlier that year, the VOKA (Flemish employers) Memorandum had proposed the idea of raising the pension age to 67 (VOKA, 2014, p.21).

In October 2014, the new federal government, consisting of coalition partners of the political centre-right, announced its programme, in which the **Pension Reform** would constitute one of the main

components. The retirement age was set at 66 by 2025 and 67 by 2030. Early retirement on individual basis would by 2018 only be possible at the age of 63. Collectively bargained early retirement would be lifted to 60 by 2017. The measure received positive feedback from the employers' side and fierce resistance - to the point of strikes and manifestations - from the trade unions. The government had to master a social crisis by delegating an exemptions negotiation to the social partners, specifically for the current stock of early retirees and for determining the category of heavy labour. This process is still on-going at the time of writing.

Drivers

When analysing the drivers of a particular measure, we make a distinction between **the rationale**, i.e. the reasons in terms of societal problems to be solved, and the motives of the respective actors. The rationale is three-fold. Firstly, the employment rate of the 50+ segment was to be increased because the financial sustainability of the pension system is a function of the pensioners/workers equation. Secondly, and in line with the first, longer life expectancy comes with higher costs (pensions, housing and health care) to be provided by the taxpayers. So raising the pension age to 67 will immediately reduce those costs. Thirdly, postponing the retirement horizon will also postpone the mental disengagement of workers from their work, thus increasing their commitment to invest in their job and their employability.

If we look at the **motives**, the Michel Administration's wish to replace the old Generation Pact with a more voluntary proposition may be a prime factor. The incremental impact of the Generation Pact was thought to be insufficient in increasing the employment rate of the 50+ segment. Still, the evidence that an increase in the pension age to 67 would have a significant impact on the employment rate of the 50-to-65 segment remains disputable. Some respondents therefore claim the motive behind this is to remove the subject of pensions from the social dialogue table, as the trade unions would presumably never agree to a proposal with a strong activation component for older workers. This hypothesis has been confirmed to some extent, as the fierce opposition of the trade unions in the autumn of 2014 forced the government to put the early retirement sections of the measure back on the social dialogue table, where indeed a number of significant exemptions were formulated. However, the pension age itself remained in the hands of the government, demonstrating the wish to make a clear statement to the general population: *thou shalt work longer*. A third motive is to be sought in pressure from the European Commission and benchmarking with neighbouring countries (European Commission, 2014; European Commission, 2015; European Commission, 2015a). As Belgium's budget deficit risked exceeding the 3% norm, the government was well aware that it had to incorporate structural measures within its programme. Raising the pension age was one of them.

The **actors** involved were the European Commission, the Belgian federal government and its coalition partners. The new player in the field was the N-VA party, socio-economically conservative and the winner of the 2014 elections. N-VA played an ideological role, if only by their wish to adapt the Belgian social welfare system. As it was designed, this ('Bismarckian') system consists of a combination of individual insurance and social solidarity. The N-VA, supported by, among others, the Flemish employers' organization VOKA, was obviously determined to strengthen the insurance part of the system (based on individual responsibility) and to diminish the solidarity part. The other parties at the table plead for nuances, but in principle did not object. As a whole, the pension age measure was legitimised through reference to the Pension Reform Commission, even though the latter had presented a much more intricate plan which included a long process of social acceptance.

Format & implementation

By 30 June 2015, the parliamentary commission had accepted the proposal to raise the pension age to 66 (by 2025) and 67 (by 2030), together with stricter regulations for early retirement. This means that the proposal is to become a law in due time, save for an unexpected fall of the Michel Administration.

Still in progress - and provisionally open-ended - are the negotiations by the social partners about the list of 'heavy labour' for which a shorter career would be accepted. One method suggested by the Pension Reform Commission is to use the points system (measuring the length of the career) in such a way that certain occupations would receive a coefficient '1.xx' for a working year instead of a nominal '1'. The Commission also suggests keeping the budget of 'heavy labour' under control by allotting the social partners a total (in terms of costs) for all occupations combined which cannot be exceeded (Commission for Pension Reform, 2015).

Perceptions on effectiveness and impact

Most stakeholders agree that the financial sustainability of the social welfare system - including the pension system - is very important. However, opinions differ regarding the extent to which this system is under threat, whether the system has to be self-sustaining or could be dependent on other funds, and whether raising the legal retirement age is a suitable strategy in raising the actual retirement age. Employers' organisations and trade unions find themselves at opposing ends with regard to these issues. Unions have an issue with the European preoccupation with life expectancy (which should be 'healthy life expectancy' in the first place). However, closer to the work floor employers and local unionists may share the same idea about the desirability of keeping older workers employed or available for the labour market, as it was traditionally a third party (the taxpayer) who paid the costs for early retirement. As the taxpayer gradually became aware of this mechanism, the pension age measure could count on at least some degree of acceptance. The distant horizon of the measure - taking going into effect until 2025/2030 - has also helped many to accept the idea of having to work longer.

Innovative character

Given the score of countries who preceded Belgium in raising the pension age, the measure in itself can hardly be characterised as innovative. However, the measure meant breaking with the tradition of leaving retirement issues entirely to the national, sector-specific or local social dialogue table. Also, the Pension Reform Commission induced the idea of an intricate points system to calculate the length of the career and thereby the pension one is entitled to.

Innovation II: Employment plan for older workers at company level.

In a nutshell

People are supposed to work longer, but are they able to work longer and should policy intervene to create the conditions for older workers to remain active? This question, juxtaposing workability with activation, was the basis for a number of measures; the company employment plan for older workers is the latest. It was processed by the social partners and took the form of a collective agreement.

Background

One of the classic arguments by trade unionists when the idea of longer careers was raised was that work should be feasible for workers in their 50s and 60s. Parallel to employability, the term workability was launched. One of the typical measures of the 1990s was the **end-of-career time credit for 50+ employees**; the option to work part time, 80% or 50%, and receive a compensation premium from the regional government. An OECD review stated: 'Very few workers aged 60-64 take advantage of these arrangements, unlike those aged 50-54 or 55-59 (around 8% of the population concerned in 2011). In fact, by the time they reach 60-64, a large percentage of the target group has already left the labour market. At a Higher Labour Council meeting in 2012 the question was raised as to whether or not the system actually did keep people working longer or rather led to a reduction in the number of hours worked by the workforce as a whole.' (OECD, 2012, p.8). The age limit for eligibility for this time credit was increased to 60 in 2014.

Another measure, situated on the work floor itself was the Experience Fund which offers incentives to companies that take initiatives to accommodate their older workers (job content, physical workload, improving skills and competences, etc.). The way this Fund was to be used was the subject of a law (2004) in which the concept of workability was first introduced. The implementation however remained at a modest level (FOD WASO, 2010).

The Di Rupo Administration, keen on complementing its reduction of early retirement policy by positive incentives to keep more employees in the 55-65 age bracket at work, asked the social partners of the National Employment Council (NAR) to develop a framework agreement for company level employment plans. This took the form of the National Collective Agreement 104 (June 2012). The Agreement suggested a non-limitative list of initiatives which employers could use in drawing up an annual 'company employment plan for recruiting and/or retaining 45+ year-old employees'. Initiatives include: recruitment of new 45+ staff, training and developing competences, career guidance, internal mutations, adapting working hours and conditions to meet the needs of older employees, preventing and remedying physical barriers and recognising acquired competences (experience). A condition is that the employer must negotiate this plan with his workers' representatives (union) or, in small or medium enterprises, inform the workers. Plans are to be made available for any social inspection. Companies with fewer than 20 employees are exempt from this obligation (ACLVB, 2013).

Drivers

The **rationale**, carried by the social democrats in the Di Rupo Administration was a quid-pro-quo idea: working longer will only be an option if the work is workable. By making it the subject of a collective agreement, the government hoped to generate ownership of this idea, which in turn would increase the chances of implementation. The Workability Monitor of the Flemish Advice Council SERV (SERV, 2013) repeatedly shows the many risks to which older employees in particular are exposed: stress,

difficult working relationships, low-learning potential of tasks, etc. However, our interviews indicated a considerable degree of **scepticism** by employers as well as trade unions regarding the possibility of imposing any type of workability regulation through a top-down mechanism. Company plans only come into effect in times of tight labour markets (low unemployment) or when they are promoted and upheld by trade unions at local (company) level. Otherwise, they are felt as just another bureaucratic hassle and implemented purely as a formality.

Format & implementation

The measure took the form of a collective agreement (National CAO 104), signed in 2012 and still valid today. How many of these local company plans have been drawn up and to what extent they affect the well-being of employees over the age of 45 (having a positive effect on work continuation) is unknown.

Perceptions on effectiveness and impact

As said under 'drivers', both employers and trade unions remain sceptical as to the applicability and possible impact of this collective agreement. Employers consider the seniority-based wage model as the real reason for the reluctance of employers to recruit and keep older employees. Trade unions defend the principle of validating acquired competences but regret that the agreement lacks an effective inspection and sanction mechanism. A survey among companies (Lamberts et al., 2012) showed that in the recruitment process, the candidate's age is much more a factor of discrimination than any other personal characteristic (gender, religion, migration background). Although the problem has been acknowledged, there seems to be no consensus on the type of policy to address this problem, other than general campaigns. As a rule, compulsory measures in the domain of workability are mostly ignored by employers and not promoted in a convincing manner by the trade unions. However, there are some exceptions: in the non-profit sector, the metal working sector and the chemical sector a number of company plans claim to have been developed and implemented (De Standaard, 2015a). Also, given the increased career length, politicians such as the current Minister of Economy and Employment Kris Peeters are again showing interest in the concept of workability (De Standaard, 2015).

Innovative character

Although unsuccessful, the innovative character of the measure cannot be denied. A type of regulation enters the terrain which has historically been the exclusive domain of the employer: job content, job allocation and work organisation. Therefore, studying the cases in which company plans have been made and had some effect and analysing the factors making them successful seems advisable. This study, commissioned by the Christian Trade Union is currently underway. It demonstrates that unions are gradually shifting their attention from hard matters (wages and working hours) to the soft matters of industrial relationships.

Innovation III: Activation of older unemployed persons: adapted availability

In a nutshell

The approach to activating older unemployed persons requires that those persons are available for a job. In the past, the definitions of 'availability' and 'suitable job' have been the subject of much debate (Termote & Galand, 2009). Given the reluctance of employers to recruit older unemployed persons, the government developed the concept of 'adapted availability', somewhere between active and passive availability - putting it in a grey zone between law and practice.

Background

In order to put the idea of an active welfare state into practice, former Minister of Social Affairs and Pensions (federal, 1999-2003) and Minister of Work, Education and Training (Flanders, 2004-2009) Frank Vandenbroucke developed working definitions of the extent to which the unemployed 'jobseeker' should be available for a job. Active availability means that one should seek work proactively, i.e. provide proof of a sufficient number of job applications. Passive availability means that one should apply for suitable jobs or respond to a request to apply for a specific vacancy. Active availability was first - in 2004 - introduced for the young (under 30) and later extended to the under 40 and under 50 groups.

As the regional authorities gained more competences for the broad domain of job placement and job mediation, the social partners in the Flemish region decided to extend the activation policy to the 50+ category (VESOC, 2008; SERV, 2012; Jobat.be, 2015). Well aware that the 50+ group would require a specific approach, a procedure was set up including a collective info session, an individual interview, an assessment of the individual competences and joint determination of what would be a suitable job for the person as well as developing a customised job-seeking plan. Refusal to cooperate could eventually lead to a transmission to the unemployment benefit payment agency.

The Flemish Public Employment Service (VDAB) played a decisive role in processing this regulation. Making use of its data mining and calculating outflow chances per category of competences as well as jobs, VDAB is able to monitor and if necessary adjust the customised job-seeking plans. This approach was first used to activate the 50-55 age bracket, later extended to 58 and (in April 2014) to 60. In March 2014, the Flemish government could proudly announce that the outflow results for the 50-55 age bracket had improved by 40%. Though they did have to admit that this success was not duplicated for the 55+ group.

As it appeared by October 2014, the newly formed federal government of Prime Minister Michel also had plans for older unemployed persons, not just for 'ordinary' unemployed persons but those unemployed due to collective redundancies. The concept 'adapted availability' was proposed for the latter. The idea was that a person in this group was to apply for suitable jobs, in compliance with his/her customised plan. The plan, which is to be provided within 6 months after being made redundant, may also include training or outsourcing. Apart from the clear personalised approach, adapted availability does not seem to differ much from passive availability.

Drivers

One of the cornerstones of the **federal government** programme is increasing the employment rate. One of the strategies used to that end is to activate the older unemployed persons, mainly those in

the 50-65 age bracket. Research has shown that a personalised approach is the most effective tool in helping unemployed people find a job. Particularly - as OECD (2015), among others, were emphasising in their country recommendations for Belgium - when unemployment is still recent, intensive monitoring and guidance provide the highest chances of preventing persons slipping into long-term unemployment. Presenting this approach as passive availability was thought to send the wrong signal, thus the term adapted availability.

This strategic reflection coincided with the claim made by **the Flemish PES (VDAB)** that, given the proper tool, they could activate anyone, regardless of skills, competences and age. This helped the government take the decision that everyone who became unemployed after December 2014 and was younger than 60, would receive the treatment described as 'adapted availability'.

It did not take long before **criticism** of this measure was heard. Some said the adapted availability of older workers (in particular those over 55) was nothing more than a superficial fix, since employers simply do not want to recruit older workers - because of their salary costs (Sels et al., 2013). The **trade unions** resent the government's interference in a matter for which the social partners had reached a consensus: activate the newcomers in the unemployed 50-55 age bracket and leave the others alone (i.e. the long-term unemployed and the 55+ group). The irony is that the PES simply does not have the means to effectively follow up and sanction the 'unwilling' job seekers.

When the social partners ('group of 10') agreed to exclude the victims of collective redundancies from the government's activation arrangement, not only the stock but also the newcomers, the government responded by claiming the primacy of policy (Parliamentary Commission, 2015; De Standaard, 2015b). It was at that time that a face-saving way out was found by using the term 'adapted availability'.

Format & implementation

The regulation known as 'adapted availability' of older unemployed persons is currently applied by the Public Employment Services, although a sanctioning mechanism is lacking. A legal framework is yet to be developed (2015) as the situation for collective redundancies victims is still unsettled.

Perceptions on effectiveness and impact

The 'sceptics' of activating 50+ unemployed persons may feel supported by research figures. The Labour Force survey of 2013 showed that only 3% of all unemployed persons in the 50+ group do find a job within the next month. 'All unemployed' also includes the long-term unemployed. By contrast, the activation 'optimists' will point at the figure of 28% of the recent unemployed 50+ group (and 15.6% of the recent unemployed 55+ group) that find a job within three months. 'Recent' means: no longer than four weeks. So, activating people who only recently lost their job does have an effect for some, while activating the middle- term or long-term unemployed does not have any effect and will only cause frustration.

Academics continue to emphasise the strengths and assets of older workers (Struyven, 2010; Van Gramberen, 2015). Even the most obstinate activation pundit will admit that the current employers' unwillingness to recruit older candidates is a trend that needs to be reversed. Challenging as this prospect may be, the argument invariably associated with this reluctance is the high cost of seniority. Opening negotiations on this subject is, however, just as much a taboo for the trade unions.

Innovative character

The measure is not innovative in the conceptual sense, as the concept 'adapted availability' is a cover for 'passive availability', thereby causing confusion and legal uncertainty. But the idea of basing a legal regulation ('what should be done for the 50+ category') on an on-going practice in a street-level institution (i.e. the Flemish PES, indicating 'what can be done & what is being done for the 50+ category') is quite an innovation in Belgian socio-economic policy making. The ever refining set of indicators on outflow (to a job) of unemployed persons gives the Flemish PES an authority which has led to replication in the Brussels and Wallonia PES.

Innovation IV: Youth Employment Plan

In a nutshell

As youth unemployment was quite high in Belgium even before the financial crisis, experiments were set up to develop methods to reach the hard-to-reach young unemployed in order to find a suitable route to work and integrate. The more successful outcomes were mainstreamed by the PES in a strategic effort ('find them early') endorsed by the EU Youth Guarantee Plan. The overall impact of the Youth Employment Plan, however, remains disputed.

Background

The EU 1998 Employment Guidelines launched the idea of the 'comprehensive approach' for unemployed persons in general and for unemployed youths in particular. Each and every job seeker was to get a new or fresh start from the PES within 12 months, and within 6 months for those under 25. In 2005, Flemish Minister for Work, Education and Training Frank Vandenbroucke ordered a set of experiments which would become known as the '13 Cities Plan' (Vandenbroucke, 2007). In 13 cities where youth unemployment proved particularly hard to eliminate, the PES was to cooperate with specialised NGOs in order to reach hard-to-reach youths. A combination of several methodologies, each adapted to the specific situation (local and group characteristics) was used, such as contacting, gaining trust, working on attitudes, e-monitoring. These pilots were subsequently to be extended and gradually mainstreamed within one overall plan, the Youth Employment Plan (VDAB, 2008). At the time, the employment rate for those under 25 was 32% in the Flemish region versus 37% in the EU.

In a first evaluation, e-monitoring and the principle of tendering guidance and coaching to specialist NGOs were considered successful elements which deserved continuation (Van Parijs & Struyven, 2010; Van Parijs et al., 2010). Another study recommended systematising exchanges of approaches and good practices between employment agencies (Van Hemel & Darquenne, 2009). The EU Youth Guarantee pushed the PES to increase its efforts and reduce the period in which a person leaving school was to be contacted to 4 months. Special attention was to be devoted to the NEET group (Not in Employment, Education or Training) (European Commission, 2013b).

In the Flemish Economic and Social Negotiation Committee (VESOC), a triple approach was added in 2012: in-house individual vocational training, work experience projects for youths and step-in internships.

Drivers

For the EU, as well as the Belgian federal and regional governments, the young are a priority group, given their human capital value and the risk of having large concentrations of unemployed youths in urban areas. In comparison with older people, the young are much less a domain of ideological controversy or of conflicting views between employers and trade unions, as they have not yet built up any acquired rights. To set up experiments for certain groups was acceptable for all stakeholders concerned, as the risk that the hard-to-reach may soon be forever lost to the regular labour market introduction was essential.

The Flemish PES (VDAB) took the opportunity to portray itself as a highly specialised and knowledge-based organisation, learning from external partners, setting up experiments within the organisation

and keeping track of the results. VDAB has become a source of data and insights in its own right and a reliable tool for the Flemish policy makers (Leroy & Van Haeck, 2008).

Thirdly, the NGOs that are the subject of the tenders saw the opportunity to demonstrate their added value in offering customised and context-sensitive approaches.

Format & implementation

The Youth Employment Plan was drawn up as a decree in 2009 and became part of the permanent contract between the Flemish government and the VDAB (PES).

Perceptions of effectiveness and impact

While generally speaking all parties seem to be in agreement about the Youth Employment Plan, critics from the left will accuse the PES of cherry-picking and window dressing, i.e. pretending to solve a problem that only seems to be growing in importance, namely the emergence of a young underclass that is not interested in education or work. On the employers' side, critique is about the low efficiency of the experiments: one-to-one coaching, small groups and an outflow to a regular job of sometimes less than 10%.

An internal evaluation of VDAB (VDAB, 2014) showed that the reach, i.e. the number of NEET youths was still too low in relation to the efforts it takes. The main bottleneck is that the youths in question often do not realise the importance of being counselled for a job and respond by not showing up and poor motivation. E-coaching, set up as a pilot for highly- skilled unemployed persons (online contacting, chat sessions, text messages) appeared to be the most successful component, certainly in view of the relatively low costs. The tenders with work experience pilots also showed good results.

Innovative character

Innovation was the reason for establishing the Youth Employment Plan. The idea to set up pilots and subsequently mainstream them into PES routine proved successful to some extent, but it was also costly and labour-intensive and not up to the huge challenge of a rising underclass of NEET youths. This challenge is more immanent for the Brussels and Walloon regions than for Flanders.

Innovation V: Integration allowance - Reform of the waiting allowance

In a nutshell

Waiting allowances are a specific form of unemployment allowances granted to young graduates/drop-outs in Belgium who have never worked and consequently have never contributed to the unemployment benefit system. While the Di Rupo Administration already created stricter eligibility conditions for this benefit, the Michel Administration further restricted them, much to the dissatisfaction of the trade unions.

Background

In Belgium, unemployed graduates/drop-outs can receive a waiting benefit after a certain 'waiting period' (unpaid period between leaving education and receiving the 1st allowance). The benefits are lump sums depending on their age and family situation and are only slightly above the level of social assistance benefits.

In 2007, OECD produced an alarming report on Belgium's youth unemployment. 20% of the (not in school) under 25 group was unemployed and 12% could be categorised as NEET (Not in Employment, Education or Training) (OECD, 2007). One of the bottlenecks was the abrupt school-to-work transition, notably the absence of the dual apprenticeship system and the low rate of youths combining school and work. Career paths were found to be strongly influenced by graduates' first experience. One out of eight youths receiving an unemployment benefit one year after finishing school was still on unemployment after three years. It seemed that 'settling into unemployment' was a real risk for a certain group and that the waiting allowance was not being used for what it was intended. So, if the waiting allowance gave a signal of 'perpetual unemployment benefit', this perpetual element - it was thought - needed to be removed.

This conviction was underlined by press articles mentioning the first waiting allowance beneficiary reaching retirement age. Other than that, of the 111,000 waiting allowance beneficiaries, 56% were in the 25-50 age category and 1% older than 50 (Trends, 2012). Belgium was said to be the only country - apart from Poland - where such waiting allowances were granted, i.e. where one could obtain unemployment benefits without ever having contributed to the social welfare system.

The reform of the waiting allowance in 2012 (Di Rupo Administration) made the eligibility conditions for this benefit stricter in order to increase job search incentives and prevent abuse of the measure: (1) The 'waiting period' was extended from 6,9,12 months (depending on age) to 12 months for all new applicants. (2) The duration of the benefit (previously unlimited) was limited to three years, although there are some exceptions. (3) The benefits were restricted to those under 30 years of age. The waiting period was renamed professional integration period while 'waiting allowances' became 'integration allowances'.

However, criticism remained. While extreme abuse of the system was now reduced, the 'integration allowance' could still be a lever for a false career start. The suggestion was to introduce qualification requirements as conditions for benefitting from the integration allowance.

The Michel Administration further restricted the benefit to those less than 25 years of age and added the requirement of a secondary school diploma. Strong lobbying by the trade unions resulted in a more

lenient educational requirement, thereby safeguarding 7,000 youths from exclusion (De Standaard, 2014; RVA, 2015).

Drivers

The Flemish Minister for Finance, Budget, Work, Town and Country Planning and Sports Philip Muyters (N-VA) has always been explicit in his opinion on waiting allowances. He thought 'being paid to wait' was a negative offer and negative signal, and should be replaced by a positive offer ('find-bind-mind') to address youths. The ideology that 'not working' and settling into dependency should be discouraged as much as possible was a significant factor in the decision of the Michel Administration. Another consideration was that in principle, benefits were to be based upon contributions and exceptions should be restricted.

The trade unions, while still defending the right to claim integration allowances, have given in to some extent, in exchange for not having 'regular unemployment benefits' limited in time, which was a demand of the employers and the right-wing parties.

There are rumours - though unconfirmed - that regional priorities were a factor in the Michel Administration's decision. Youth unemployment is higher in Wallonia (32%) and Brussels (39%) than in Flanders (16%), while Flemish political parties (less concerned by these figures than their French-speaking counterparts) are more influential in the federal government. Another - equally unconfirmed - speculation explains the rather soft resistance by the trade unions through the characteristics of the target group most impacted by the measure: many non-Belgians cannot be unionised.

Format & implementation

The restrictive interpretation of the integration allowance eligibility criteria is a governmental decision that is already applied in practice. In 2014, it meant that 17,000 people lost their allowance, partly due to the age limit and partly due to the education requirement. However, the trade unions' intervention regarding the interpretation of educational qualification 'saved' 7,000 youths.

Perceptions of effectiveness and impact

The measure does have an immediate budgetary impact on the national social welfare system. It can however create an extra burden for the local (communal) social security budgets. Whether it works as an incentive to put more young people to work remains to be seen.

Some study programmes had already underlined the need to limit the integration allowance in time, if only to compensate with higher regular unemployment benefits during the first months (Eeckhout & Konings, 2014). The idea is to tie benefits and allowances exclusively to prior employment, and to alter its significance: to omit the fear of losing a job and to invest heavily in job searches during the first weeks or months of unemployment. However, the authors also advocate for better targeting of unemployed urban youths and reducing the minimum wage for the younger categories.

The trade unions resent the measure. The French-speaking parts of Belgium would be particularly affected as they have more 'repeaters' (those who finished their studies later because of not passing exams) and people who combine their higher studies with student jobs. In general, this group of people has a professional career start so fragmented that they never reach the status of having worked one year continuously, a status which entitles them to regular unemployment benefits: disabled, children from broken families, drug addiction, etc. The disappearance of the integration allowance has made

this group unreachable. They cannot be detected and they no longer have a reason to be in contact with the PES.

Innovative character

This measure would be innovative if it had a positive counterpart in addition to the restrictive part: a methodology to reach, follow up and motivate this hard-to-reach target group. While the find-bind-mind philosophy and the Youth Employment Plan (see innovation 4) are steps in that direction, it is felt that a significant part of this target group is now missing out on any integration efforts.

1.2.5 Summary of the innovations

The table below does not do justice to the uniqueness and the context of each of the selected innovations but it does provide an overview allowing the comparison of certain key parameters.

Table 1.2.5 - Overview of the innovations: drivers, actors, effect and characteristics

Innovation	Drivers: rationale & motives	Proponents & <i>opponents</i>	Effects & <i>perceptions</i>	Characteristics
I - Pension Age Reform (Federal, 2014-15)	Financial sustainability of pension system (life expectancy; career length) Employment rate of older workers Bypass social dialogue European benchmark	European Commission Michel 1 Administration (centre-right) Employers federation Pension Reform Commission <i>Trade unions (opponent)</i>	Budgetary impact <i>Postponed disengagement of older workers</i> <i>Remaining reluctance of employers to recruit/keep older workers</i>	Unannounced measure Method of 'least resistance' Heavy protest leading to exemptions
II - Company plans for older workers (Collective Agreement, 2012)	Workability (in addition to employability & activation) Quality of work on the social dialogue table	Di Rupo Administration (& social democrats) National social partners <i>Local social partners (disinterest)</i>	Slow implementation <i>Symbolic value</i> <i>Perception of bureaucracy</i>	Innovation Envisioned as the first step in a process
III - Adapted availability of older unemployed (Federal, 2015)	Activation Redefining 'suitable job' and 'availability'	Michel 1 Administration PES (VDAB) <i>Social partners (opponent)</i>	Implementation depending on PES capacity <i>Symbolic value</i>	Superficial & semantic
IV - Youth Employment Plan (Flemish, 2008)	Integration of marginalised youths into education & labour system Youth unemployment	Flemish government PES (VDAB) Civil society (specialized NGOs)	<i>Significant & incremental, but costly</i>	Innovation Progressively improving insight Uncontested
V - Reform of waiting allowance (Federal, 2012, 2014)	Activation Budget austerity Emphasise 'no benefits without contribution' mechanism European benchmark	Federal governments (Di Rupo / Michel) PES (VDAB) <i>Trade unions (opponent)</i>	Budgetary impact <i>Risk of growing underclass</i> <i>Prevention of long-term unemployment (by early intervention)</i>	Ideological discussion on welfare (intrinsic right or linked to contribution)

1.3. Assessment of the influence exercised from key factors in the performance of each innovation

Throughout the cases presented in section 2, we found a number of key factors in the performance of the measures in terms of labour market (not budgetary) policy. These factors may be facilitating, inhibiting or neutral for the measure to be successful, and this may depend on the context or the bigger picture. We will refer to the cases as listed in table 2.5 with their Latin number (I to V).

- Continuing or breaking a tradition

Some measures (such as III, adapted availability and V, waiting allowance reform) are a continuation and a gradual extension of the activation policy implemented in the late 1990s. They touch upon categories which thus far had escaped activation (graduates/drop-outs, older unemployed persons) but who would now be included in the routine PES machinery. However, the effectiveness of activating the 55+ and 60+ remains to be seen.

Measures I (pension age) and II (company plans) were to some extent breaking a taboo and may in the long run be successful. Measure I (pension age) was breaking a barrier and the consensus attached to it by shifting the focus from the career length to the physical age. Measure II (company plans) had stepped into unknown territory: adapting and steering work organisation within a company from the exterior.

- Change of government

The 1999 election victory for both the Flemish and French-speaking liberal parties led to the so-called purple coalition between liberals and democrats. A compromise between the entrepreneurial and the compassionate society materialised in the idea of an Active Welfare State. Measures such as integrating marginalised groups into the labour market and improving school-to-work transition became popular. However, it became increasingly clear that different regions meant different political realities, which led to measures being the result of compromises and therefore not always openly breaking with the past. The French-speaking socialists remained in power until 2014, preventing the crumbling of acquired rights. This changed dramatically after the 2014 landslide victory of the Flemish regionalist and conservative N-VA party, which had a double effect: the Flemish extreme right was pushed off the scene and a parliamentary majority without a socialist presence became a possibility. The new coalition under Charles Michel found a sudden freedom to implement a number of fiscal, economic and social policy measures which until then had been deemed impossible. In this sense, change of government may work as a factor of innovation. However, our examples show that a paradigm change (first-order learning) does not necessarily correspond with a change of government.

- Broad stakeholder support

Complete stakeholder support would mean either active support from or at least tolerance by a range of actors: the political class (coalition partners, opposition parties); the social partners (employers federations and trade unions) at national, sector-specific and local level; significant institutions, interest groups and opinion makers; economic actors; and the general population. When budgetary discipline is at stake, the European Commission is also an important actor. Complete support is not necessary for a policy or a measure to be successful but broad support certainly helps, as is

demonstrated by measure IV (Youth Employment Plan). Measure I (pension age) is an example of generating sufficient support to push it through and ignore the protests of opponents. It cut short the negotiation process which was due to take place in the social dialogue forum. None of the coalition partners had mentioned this shift in their election programmes. This measure came in stark contrast with its predecessor The Generation Pact, which never got out of the 'war zone' (disputes, amendments and exemptions) since its introduction in 2005.

- The presence of an implementing agency

Measure II (company plans) makes sense content-wise and comes across as well thought-out. Yet it lacks a champion on the ground, as the many scattered and dispersed employers and local union delegates have more urgent priorities than improving the workability of older employees' jobs. The measures III (adapted availability), IV (Youth Employment Plan) and V (waiting allowance) have, on the other hand, a yes-we-can partner: the PES, keen on demonstrating it can activate anyone anywhere anytime. This gives measures which are still heavily disputed (in the case of III (adapted availability) and V (waiting allowance) a possibility of being implemented.

- Policy density

Some measures appear like seeds sown in a dense forest. This forest of pre-existing measures and policies may work favourably for the measure if the seed was sown on fertile and available soil, but it will suffocate if the environment is a wilderness of old arrangements, the logic and coherence of which is understood by only a few. Early retirement is an example of such a wilderness. Measures in the area of early retirement stem from a plethora of policy traditions, each with its own equilibriums and stakeholders. These include the domains of labour redistribution (as a tool against unemployment), medical prevention, social protection, company reorganisations and closures, social conflicts, gender equality, etc. Measure III (adapted availability) falls within a different logic: activation, employment rate, availability. The multitude of policy domains affected (including labour market policy, social welfare, health care...) may mean just as many hurdles to overcome, in the shape of resistance, abuse and simple non-implementation ('dead letter'). Compared to this, measure I (pension age) is like cutting through air, less charged by past and acquired positions and much more likely to be implemented without much fuss.

- Symbolic value

Measure I (pension age) contains considerable symbolic value as the pension age is an important figure in everyone's life. Announcing a measure such as this prior to the decision would lead to insurmountable debates and obstacles. However, once the decision is taken, the symbol may be quickly forgotten; people anticipate a scenario of working longer and resistance fades. This is certainly helped by the relatively far horizon of the measure to be implemented. Measure II (company plans) has a symbolic value as well - breaking into the employer's sole leadership role - but the absence of realistic implementation means it does not cause much of a stir.

- External authority

The 'power of the international argument' plays a role in Belgium, where the 'national ideology' (above the political divides) is one of 'open economy' and 'pro-Europe', thus, OECD reports, IMF diagnosis and European Commission Country Recommendations are taken seriously. Benchmarking has been a

driving factor in the pension age issue (measure I), the early retirement issue (measure III) and the activation issue in general (measure V). Internal authority, separate from and 'above' the daily decision-making theatres (government, parliament, social dialogue) has been successfully generated in the case of the Pension Reform Commission which paved the way -willingly or not- for measure I (pension age).

- Proof of effectiveness

Pilots (in the case of measure IV, Youth Employment Plan) and careful calculation (in the case of measures I, pension age and V, waiting allowance reform) have been supportive in accepting the decisions taken. In contrast, the conceptual obscurity and lack of data on measure III (adapted availability) have heavily impeded the practicability of the measure.

- Transparency and complexity

These factors come close to the policy density factor but first and foremost they concern the measure in its own right. The acceptance of measures I (pension age: 'work longer') and V (waiting allowance reform: 'no allowance without former contribution') benefit from the clarity of their message and the closeness to the ideological principles of which they are a practical translation.

- Accredited value pundits

In the past, Frank Vandenbroucke (former Federal Minister of Social Affairs and Flemish Minister of Work and Education) has championed the idea of the Active Welfare State with rational and scientific arguments, making the ideology it supports credible and acceptable: work as the origin of value and rights, solidarity to those who cannot work due to reasons beyond their control and the financial sustainability of the social welfare system. Vandenbroucke's image is one of a socialist gone realist, with a full understanding of economic drivers and incentives. Having established an aura of integrity and profound expertise (high profile academic), Vandenbroucke has always been open in explaining the advantages of this system as well as the efforts it requires. This paradigm has marked the Youth Employment Plan as well as the Pension Reform Commission. In a dialectic twist of events, many of these principles are now being used by the present conservative (centre-right) government for the sake of budgetary austerity which complements its policy of economic competitiveness. Balancing between austerity and solidarity, the current Minister of Economy and Employment Kris Peeters could be seen as the pundit of the present labour market policy. Peeters's profile is one of an entrepreneur gone compassionate. The intelligent combination of apparently conflicting value systems tends to increase a politician's credibility to a point that he/she could become an innovative factor in his/her own right.

- Devolution

Transferring competences to the regions creates opportunities (clean slate) as well as risks (lack of experience). The Flemish PES has grabbed the chance to become a performant organisation where innovation and experiments are encouraged. However, this is the fruit of a process which took quite some time. The PES sense of innovation and its investment in data mining together with the small scale on which this service is operating has contributed to their handling of special categories of unemployed (cfr. measure IV, Youth Employment Plan, measure V, reform of waiting allowance and presumably measure III, adapted availability). The PES of Wallonia is now in the process of copying the good

practices of their Flemish colleagues, even though the Walloon labour market faces in part different challenges. On the risk side, devolution may also create conflicts of interest which could take the shape of legal procedures and judgements by the constitutional court. However, wary of a negative and paralysed image, the political class seems to avoid stepping into this trap.

- Social dialogue

The social partners are embedded in a tradition of exclusive dialogue on domains directly affecting wages, working time and career structure. Their knowledge of 'what happens on the floor' is considered indispensable if a measure is to be realistic and implementable. This explains the difficulty the government has in imposing measure III (adapted availability) through by-passing the National Labour Council (national level of social dialogue). However, they could also be considered to have 'tunnel vision' when it comes to opening new paradigms or confronting old taboos. This leads many to conclude that the Pension Age Reform (measure I) would never have been realised had it been put on the social dialogue table.

1.4. Conclusion: effectiveness and impact of the innovations

As for the effectiveness of the selected policy measures, our analysis allows for linking the key factors for the performance of the innovation with the intended level of change through the measure (operational, strategic or paradigmatic). What our cases demonstrate is that strategic changes require factors other than operational changes, and paradigmatic changes require yet other factors.

For *paradigmatic changes*, the measure would require that the symbolic value it embodies is championed by an agent at implementation level (e.g. 'company plans for older workers' should be carried out by the social partners at company level or by another decentralised agency). Failing this, the measure will be no more than a 'dead letter', lacking the power to be pushed through. For *strategic changes* (e.g. pension age), our cases demonstrate that value pundits, external authorities and discontinuities in government are decisive factors and that transparency (easy to understand) works as a facilitator. *Operational changes* are served more by factors such as governmental continuity, willing and able implementing agencies and familiarity with the issue at the level where the measure is engineered (social partners, PES, administration).

Whether the selected innovations have the desired impact in terms of resilience and inclusiveness with regard to the target groups they focus on is at this stage difficult to determine. If inclusiveness means 'at work or likely to be at work in due time', measures envisioning the young may generate more impact than measures envisioning older people. The selected measures could be characterised as 'push' or 'pull' measures. Push measures tend to decrease alternative earnings of living (retirement pensions, welfare grants, unemployment benefits) and would therefore only work as an incentive. Conversely, pull measures keep people in employment (company plans for older workers) or enhance people's capacities (Youth Employment Plans). Most of the measures selected are recent (2012 to 2015) and have not yet been evaluated. Any conclusion in terms of increased resilience would therefore be premature.

2. Processes of policy learning in Belgium(WP5)

2.1. Introduction

Continuing on the data gathering for the Work Packages 2, 3 and 4 of the INSPIRES project in Belgium, this paper focuses on policy learning practices illustrated by three Belgian cases of labour market policy innovations. These three, further elaborated in section 3, are: the Pension Age Reform (I), the adapted availability of older unemployed (III) and the Youth Employment Plan (IV). The other two ‘innovations’ of WP4 (company plans for older workers (II) and reform of the waiting allowance for young unemployed (V)) were dropped as cases for policy learning, although some lessons from these cases may prove useful. In section 2, we explain the policy learning infrastructure in Belgium in a nutshell.

Peter Hall (1993, p.278) defined **policy learning** as a deliberate attempt to adjust the goals and techniques of policy in response to past experience and new information. Hall connects learning with innovative changes and distinguishes thereby first-order, second-order and third-order changes.

Second-order changes refer to the instruments used to achieve a goal (e.g. incentives for employers to recruit new personnel from a certain category), while first-order changes refer to the settings used for these instruments (e.g. the amount of the incentive, the definition of the target group or the conditions, such as the type of employment). These second- and first-order changes allow for what Van der Steen & Groenewegen (2008) refer to as ‘normal’ learning, taking place ‘within a well-defined institutional framework with harmonious relationships between the hierarchy of the institutional layers and based on clear and stable shared mental maps of the actors involved. The learning process is one of incremental change towards perfection’ (Van der Steen & Groenewegen, 2008, p.17).

Third-order changes allow for learning by reconsidering theories-in-use or paradigms. This type of learning would be more likely to occur when there is a degree of instability in structures and where tensions exist between competing objectives or rules of the game. In his influential article, Hall elaborates on this through the example of the changes in British macroeconomic policy (from Keynesian to monetarist) in the period 1970-89 (Hall, 1993, p.283).

Other authors such as Kemp & Weehuizen (2005) relate policy learning with cognitive theory and models of organisational learning. So-called learning organisations encapsulate the experiences of past employees and avoid hierarchical manipulation of information flows. The authors make a distinction according to the modus of learning (Kemp & Weehuizen, 2005, p.11): experience (learning by doing), observation of what others do, systematic study and interaction.

Refining these for our study, we could specify the sources of evidence. Some are found within the political system and others are external. Some have a scientific character in the sense that they are based on data that are reproducible (and quantitative) and others are experience based (qualitative).

Matrix wise, this could be presented as follows:

Table 2.1. – Sources of evidence in the proces of policy learning in Belgium

	Systematic (repeatable and controlable)	Non-systematic
Internal source	<ul style="list-style-type: none"> • Data monitoring and data mining by administrations and implementing agencies (like PES) • Pilots & experiments (e.g. non-respons pilots - Youth Employment Plan) • National Bank & Plan Bureau 	Learning by doing: experiences from successful and/or failed policy
External source (independent)	<ul style="list-style-type: none"> ▪ Advice of expert commission (e.g. Pension Reform Commission) ▪ Authority knowledge producer (KBS) ▪ External data (Eurostat) ▪ Academic research ▪ Tendered evaluations ▪ Country Recommendations (EC) ▪ Peer reports (OECD, IMF) 	Terrain knowledge (social partners) Study centers Individual think tanks (e.g. Itinera) Media, human interest stories, social media

Evidence can be used for different purposes and at different moments during the decision-taking process:

- pro-actively for keeping updated;
- for detecting, situating and explaining problems;
- for simulating solutions (scenarios, roadmaps, inventory of good practices);
- for legitimising decisions already taken.

Policy learning should not be confused with political learning. Whereas policy learning refers to the content of a policy measure, political learning refers to the process and the tactics of pushing a measure through. However, political learning could be considered as just one of the aspects of policy learning.

When does policy learning take place? Evidence could be seen as just one of many drivers of policy. The cases may give us a clue to the circumstances in which the use of evidence is triggered.

As a driver of policy, evidence competes with a range of other drivers: power, ideology, lobbying, compromises and consensus between stakeholders, participation (incl. target groups), tradition, emergencies, generalisation of local experiments and tests. However, reality is much more complex than any categorisation can suggest. Mainstreaming tests or copying policy from abroad may be part of a strategy and therefore policy learning, but it may also be an opportunistic way of hiding the lack of any reflected strategy.

Hall (1993, p.288) indicates that in times of political discontinuities, policy learning may take the shape of paradigm shifts and politicians rather than experts will play a dominant role. Keeping in mind our open conclusions from WP 4, we can narrow down one of our research questions to verifying whether or not policy learning could be influenced by the degree of controversy of the issue in combination with the degree of continuity of government.

Hypothetically, this could mean that policy learning is likely to take place in two different scenarios: (1°) a highly controversial issue would need a change in government for policy learning (and hence

innovation) to take place, (2°) a less controversial issue would need continuity in government for policy learning (and hence innovation) to take place. In scenario 1, politicians would be the authors of learning, while in scenario 2 specialists or bureaucrats would be the authors. The parameters of this equation will, however, need more explicit measuring for the hypothesis to be corroborated. What exactly makes an issue more or less controversial? This may be measured through a combination of societal support, strength of public opinion and the seriousness of consequences for certain groups. What is meant by 'change in government' is also open for interpretation. Hall speaks of political discontinuities, meaning not just a new government but 'a new sheriff in town': a well-intended ideological shift by a new coalition or a new generation of politicians assuming power.

In a table, this could be shown as follows:

Table 2.2 – Hypothesis of parameters influencing policy learning

Scenario	Controversy issue	Government (ideological composition)	Likely authors of the innovation	Examples (as referred to in WP 4)	Type of change (according to WP 4)
1°	High	Change	Politicians	Pension age reform (I)	Strategic
X	High	Continuation	Politicians	Adapted availability (III)	Operational
X	Low	Change	Specialists & bureaucrats	Reform waiting allowance (V)	Operational
2°	Low	Continuation	Specialists & bureaucrats	Youth Employment Plan (IV) Company plans for older workers (II)	Strategic Paradigmatic

This matrix may look quite schematic and speculative. It presumes that shock innovations do need a change in government (scenario 1), while less spectacular though well-reflected innovations are better served by continuity (scenario 2). The latter scenario also contains possibilities for paradigmatic changes, but the example (company plans for older workers) is one of a change yet to be implemented. It also leaves the door open for scenario 'X', most likely less ingenious and more operational innovations which may have far-reaching consequences all the same.

We will come back to this hypothesis when presenting the three selected cases of policy learning. Empirical evidence could indicate that there are still other parameters in addition to these which are essential for policy learning to take place.

2.2. The policy learning infrastructure

Policy learning, as pointed out above, can result from policy failure, the pursuit of electoral goals, experimentation, benchmarking, studies and research. Another way of looking at it is from the point of view of knowledge ('evidence') producers, the supply side. This supply side is to some extent fluid, meaning it is difficult to isolate from circulating data, information and opinion shaping as it occurs in the world of the media and of politics. But the supply side is also to some extent institutionalised and locatable.

Taking a closer look at these institutions in Belgium, the following is clear:

- A number of institutions have a **national** status, are supposedly above party politics and are either an independent entrusted institution or embedded in the federal government. The **Federal Plan Bureau** is one of these institutions, carrying out studies and prospects on economic, social and ecological policy matters (including the labour market). Their reports are mainly based on undisputed 'official' data and are considered an important reference for policymakers. The **National Bank of Belgium** is the Belgian central bank, mandated to carry out Belgian monetary policy, regularly publishing reports and press releases on economic issues with a budgetary and monetary impact. The **General Directorate on Statistics** is part of the Economy Department and mandated with the gathering and distribution of reliable and representative data on all aspects of Belgian society (population census, household spending, health, consumption, etc.). The Economy Department also houses the **Intersectional Database of Enterprises** and the **Intersectional Database of Social Welfare**, consisting of firms and legal persons for the former as well as employees or social welfare beneficiaries (natural persons) for the latter. These databases gather and store data which can be used or made public on demand (bearing in mind privacy legislation and other procedures).
- Labour market policy is to a large extent **regional competence**. The regions have set up their own study centres, either within their administration or as separate units. The Work and Social Economy (WSE) administration in the Flemish region regularly produces key figures of the Flemish labour market. For studies of importance for industrial relationships, advice organisms such as the SERV (Sociaal-Economische Raad van Vlaanderen) and STV (Stichting Technologie Vlaanderen) are called in. These studies are often made public in a forum called VESOC (Flemish Economic Social Dialogue Committee), the meeting point of the tripartite partners at Flemish level. Similar institutions also exist at the Brussels and Walloon level.
- A number of **academics** are frequently called in as references, such as the CSB (Center for Social Policy, Antwerp University), Steunpunt WSE (Focal study point for Work and Social Economy, Leuven University), Institute for Social Law and HIVA (Leuven University), Koen Schoors (Ghent University) and many others. Academics also form the core of the pool of specialists who are commissioned for the elaboration of pending issues by the King Baudouin Foundation, an institute which cultivates an aura of neutrality and authority.
- Many **study centres** are linked to political parties, trade unions and employer federations. Some independent **think tanks** (e.g. Itinera or Polyargus) are institutionally independent but ideologically close to certain political ideas and convictions. Some **private companies** (e.g. Randstad) regularly produce reports based on original data.
- **Temporary commissions** at times play an important role when given the necessary credit, such as the Pension Reform Commission. The composition of this commission is subject to careful

selection and balancing. The High Council for Employment is a regular (annual) meeting of experts from the various political families, discussing their opinions and advice on data, policies and pending issues.

The regionalisation (5th phase of the state reform) has played an important role in broadening the policy learning infrastructure. The Flemish administration adopted a tradition of tests and pilots during the 1990s by administering the projects of the European Structure Funds (ESF and EFRO). Flanders has also stimulated efforts to make scientific research more policy-oriented by tendering research programmes focused on a theme rather than on one specific research question. These tenders are known as VIONA (Flemish Inter-University Research Network Labour Market Reporting). This tradition of launching experiments as predecessors to more generic policy and bringing scientific research closer to policy logic has been fruitful, e.g. in setting up pilots for hard-to-reach youths (see section 3 below). The same factors have also played an important role in inducing an M&E (monitoring and evaluation) tradition accompanying significant policy measures and legislation.

2.3. Role of policy learning in the adoption of selected innovations

Case 1: Reform of the pension age regime (innovation I)

Measure

After years of debate and attempts to raise the actual retirement age so it corresponded with the legal retirement age, the new Belgian federal government ('Michel 1') decided to raise the legal retirement age to 66/67 (by 2025/2030). This came as a surprise, as it was not announced in the electoral programmes of the coalition partners.

Policy learning with regard to the issue

The measure is a prime example of policy learning and could be qualified as a result of second-order learning (in Hall's taxonomy), invoking changes at strategic level. The sources of policy learning in this case are three-fold: failed policy, external authority and delegated expertise.

The retirement issue had been the subject of **failed policy** since its introduction. It started with the so-called 'Silver Fund', created in 2001 by the then Minister of Budget Johan Vandelanotte. This Silver Fund - partly due to its association with this politician - was never popular with other governments and politicians. It was not fed with funds properly but with due bills, payable by some future government when the need arose. After some time, it was considered to be an empty box and an ineffective policy for the ageing challenge (Trends, 2011). The Generation Pact (2005, and again 2012) was achieved after a painfully long process of negotiations between the tripartite partners, after which the government finally usurped the matter. The result was a hazy compromise directed towards the restriction of early retirement schemes. This result was quickly watered down by all sorts of exemptions and - for lack of a real champion - never convincingly communicated to the public. The impact was minimal. The average retirement age increased extremely slowly and is still more than five years away from the legal retirement age.

As an **external authority**, the European Commission (through European Semester) sent warnings to Belgium, demanding structural measures to increase the employment rate of the 50+ workers and to rationalise its budget to enable future financing for the social welfare department, including the pensions. As Belgium's budget deficit broke through the 3% barrier in 2014, the Commission actually had grounds on which it could enforce Belgium to make structural reforms. Raising the pension age to 67 was considered one of the two reforms that satisfied Europe.

Meanwhile, the **research work** of the Pension Reform Commission had resulted in the compilation of a detailed implementation plan for early retirement and pension reform, containing a number of innovative elements such as a points system to indicate the career length (entitling age and rate of the pension). The existence of such a plan made it clear that a reform was not only desirable but also feasible. The neutral characterisation of the Pension Reform Commission (and the presence of 'socialist' Frank Vandenbroucke) made the plan acceptable to the public and to a wide range of stakeholders - even if not admitted openly. It was never to become a popular measure and some self-proclaimed opponents were happy that they were not the ones responsible for it. In terms of 'content', it would be fair to say that this research work was the most important contributor to the measure.

It would not be correct to attribute the measure only to policy learning, as **ideology** played an equally prominent role. The employers' organisations, finding a partner in the political party N-VA (the conservative New Flemish Alliance) and in the neo-liberal media voices, had always emphasised the need for budgetary discipline in order to decrease the tax burdens and stimulate entrepreneurship. The budgets they had in mind would be financed by the public sector (i.e. the number of public service employees) and the check for social welfare, including pensioners.

Policy learning with regard to the process

The case is also an example of learning how to decide on a measure and push it through. The decision makers showed that they had learned from the past with regard to the timing of the decision, the consecutive steps in consultation and the form of the message.

The **decision** was a sudden one, unannounced though not unexpected. It was a chapter in a government formation programme. This government, consisting entirely of political parties belonging to the centre-right, faced the formidable task of keeping the budget deficit under control while at the same time keeping its electoral promises to decrease tax pressure on businesses and citizens. Cutting expenses, be it in the public sector or the social welfare system, seemed the logical measure to take.

The case is an example of **political learning** as much as policy learning. If the decision had been part of a participative process, a consultation round or a matter for social dialogue, it would never have been taken. A participative process does not work in complex issues. Social dialogue, as the Generation Pact demonstrated, is not productive in unpopular measures. Proposals are confronted with taboos and no-go areas, decisions are endlessly postponed and at the end of the day a third payer (i.e. the government and hereby the tax payer) is called in to smooth out the costs. In that sense, taking this type of decision in the small committee of the government formation negotiations was - from the point of view of the politicians involved - a smart move.

In sharp contrast with the Generation Pact, the **message** held clarity for the public. Acceptability towards the public was facilitated by the time horizon. People over 55 would still be able to retire at 65. Others had time to get used to the idea of having to work longer and adjust their lifestyle in the meantime.

That said, some aspects in the decision making process were overseen and therefore less of an example of policy learning. The severe review of early retirement schemes collided with a body of '**acquired rights**' which the unions were not going to give up without a fight. The street protests during autumn 2014 focused on the collective redundancy pensioners being cast back into the labour system, whereas it was thought that they were out of the market. To restore social peace, the government had to give in to this group and thus put the social partners back in business. The prospect was that for this particular group, and for the so-called heavy labour, a system of exemptions would be worked out which may or may not affect the impact of the measure.

Case 2: Adapted availability of older unemployed persons (innovation III)

Measure

Activating older unemployed persons requires an approach that ensures that the person is available for a job. In the past, the definitions of 'availability' and 'suitable job' have been the subject of much debate. Given the reluctance of employers to recruit older unemployed persons, the Michel Administration developed the concept of 'adapted availability', situated somewhere between active and passive availability, making it difficult for street-level administrators to implement it.

Policy learning with regard to the issue

Policy learning has been a factor in the sense that existing insights and experience has been used. However, as explained below, the case could also be seen as a negative example of policy learning for its refusal to unveil obvious taboos and blind spots.

Positively, the idea of availability continues with an ever-expanding **body of knowledge** on the active welfare state. The idea that the right to receive benefits should be based on past employment and/or readiness to be employed is further refined and extended in all sections of the economic system. Concepts such as activation and suitable job are translated into the present context, thinking in terms of careers and competences rather than jobs and diplomas. It was shown that older unemployed persons prepared to apply for jobs which corresponded to their experience rather than their exact qualifications were more likely to find a job. **Experience** is drawn from the Flemish region, where the PES developed specialised tools for guidance and counselling for risk groups, such as older workers. The PES has also been refining its own categorisations by making good use of data mining (applying a type of Big Data for matching job seekers to vacancies). The PES was driven in all of this by a management that previously had close ties with the Flemish Vandenbroucke cabinet (2005-2009). As explained above, Vandenbroucke, the then Flemish Minister of Work can be considered the 'active welfare state pundit' in Belgium. Another 'gained insight' - developed throughout discussions by the social partners - was to stimulate people to apply for jobs by having them keep their acquired rights (benefits and allowances) during a certain period in case a job was only temporary.

At the critical side of the arrangement, tools, methods and incentives will have no effect if employers simply refuse to employ jobseekers older than a certain age, who see the recruited person as set in his ways, lacking dynamics and reluctant to learn. The decision makers apparently turned a blind eye to this **taboo**. A factor in this was the (hard to verify) claim by the Flemish PES that they could activate anyone, regardless of age, colour, etc. This claim sounds **self-referential** rather than evidence based, as just 3% of jobseekers who find a job within the first month are older than 50 - with nearly all of those belonging to the 50 to 55 group. Therefore, what remains is an issue unsettled and a measure **unimplemented**: adapted availability which was meant to be a renamed form of active availability is in practice nothing more than passive availability.

Policy learning with regard to the process

In terms of process, there was little evidence of policy learning when the decision was taken. A compromise between imposing either active or passive availability was not reached as the trade unions were particularly defensive when it came to the prospect of older persons becoming unemployed due to collective redundancies being reactivated. Adapted availability was thus a face-saving label which was not based on the analysis of conditions and consequences should the measure be implemented.

The measure remained a **superficial** one. Critics say this is an example of what happens if the government interferes in negotiation-based and compromise-seeking social dialogue where in-depth knowledge of the terrain is required. However, the government wanted to avoid a compromise which would be financed by the taxpayer. Moreover, it could not tolerate that when the pension age moved up to 67, an exemption would be made for this particular category which included people as 'young' as 52. The inventive solution of calling it adapted availability may look like political learning rather than policy learning. Given the activation debate of early retirees is by no means settled in a satisfactory way, the government decision tends to **complicate the matter** rather than solve it. It seems that when first-order (technical) policy learning is part of a process, it is not served by a deus ex machine.

On a more positive note, the stalemate - much to the aggravation of some - with regard to the meagre outflow of older unemployed persons may open the path for further reflection and debating the high cost of seniority as well as the adverse effects this has on the employability of this category. So, policy learning could be an unwanted side-effect of an ineffective measure.

Case 3: Youth Employment Plan (innovation IV)

Measure

As youth unemployment was quite high in Belgium even before the financial crisis, experiments were set up to develop methods to reach the hard-to-reach young unemployed in order to find a suitable route to work and integrate. The more successful outcomes were mainstreamed by the PES in a strategic effort ('find them early') endorsed by the EU Youth Guarantee Plan. The overall impact of the Youth Employment Plan, however, remains disputed.

Policy learning with regard to the issue

If the Youth Employment Plan was to some extent successful, this is due to policy learning. Policy learning was thereby stimulated by a series of factors. The **EU 1998 Employment Guideline** proposed a comprehensive approach for the unemployed in general and unemployed youths in particular, meaning in the case of the young that each and every jobseeker was to get a fresh start by the PES within 6 months. At the same time, the early results of ESF funded projects caught the interest of Flemish policymakers, bringing in evidence of the importance of a **pathway guidance** of unqualified drop-outs. By 2004, this resulted in the proclaimed intention to elaborate on the **Find-Bind-Mind** methodology, implying the need of a local presence, good cooperation with schools and connecting with the mental reality of these young unemployed persons. In order to implement these intentions, the then Flemish Minister of Work Frank Vandenbroucke ordered a set of **experimental pilots** which would become known as the '13 Cities Plan' (2005). One of the core elements was that the outreach to the hard-to-reach was to be **tendered to specialised NGOs**. By 2008, the lessons of these pilots were **mainstreamed** into generic routinised practice of the Flemish PES under the flag of Youth Employment Plan. Depending on the geographical location and the characteristics of the specific target group, various forms of step-by-step approaches were used, including establishing trust, counselling on basic work attitudes and pro-social behaviour, e-coaching, etc. While the methodology evolved from a street-corner approach to a more desk-like approach, the **customised** aspects remained, as did the overarching goal to prevent young low-qualified unemployed persons from becoming long-term unemployed and therefore virtually unemployable. The **EU Youth Guarantee** pushed the Flemish PES to step up its efforts and reduce the period for contacting graduates/drop-outs to a maximum of 4 months. Special attention was to be devoted to the NEET group (Not in Employment, Education or Training). This group, which is often not registered in the PES, should be tracked down while they are still in school.

However, some factors did to some extent have a negative effect on the conditions and the gains of policy learning in this case. Growing **complexity** is one of them. Employers complain about the lack of transparency due to the wide array of different modes and modules available to young unemployed persons for gaining skills, exposure or work experience (internships, individual vocational training, apprenticeships, etc.). Another critical factor is the **cost** of intensive, individual counselling, making it an unsustainable practice in the long run. According to some, the absence of low-paying jobs - unlike the situation in Germany and the UK - works as an exclusion mechanism for the 'bottom ten percent' of graduates/drop-outs. Low-paying jobs would mean that the present consensus on minimum wages (which must be substantially higher than unemployment benefits) would melt down.

Policy learning with regard of the process

The success of the measure is also due to 'process factors'. Devolution (transferring labour market policy to the regions) created openings for innovation and the PES (VDAB) seized this opportunity. The PES was given the chance to evolve in its role of 'champion' of the customised guidance approach. The Flemish administration had gained experience in using experiments and pilots through ESF projects. Also, a tradition had arisen of scientific monitoring, ESF projects as well as the 13 Cities pilots and the Youth Employment Plan itself. The PES employed many experts from both the Cabinet and from the academic world (who had done much of the monitoring). All this had resulted in a cooperative continuum between Cabinet, administration, PES, scientists and academics. This cooperation, due to a period of continuity of government composition and absence of controversy, has certainly been facilitating and was a catalyst in the development of knowledge and skills with regard to the hard-to-reach group. Moreover, experiments and tendering were carried out on 'neutral' terrain, i.e. with a target group of young people ineligible for the 'acquired rights' typical for regular employees - and protected by the trade unions).

Still, the success is relative, as youth unemployment is again on the rise. The success of the formula as it was applied during the last eight or nine years may obscure the need to search and find other formulas which may be more geared toward the present challenges (city ghettos, radicalisation, etc.).

2.4. General conclusion

Summarising the above cases, we end up with three different examples of policy learning in terms of extent and quality.

The first case (Pension Age Reform) was marked by political events (coalition change), preceded by a very productive expert commission and to some extent pushed through under pressure from the European Commission. Budget austerity was an important driver, and ideology as well as lessons from past failed policy were significant factors. In its emergence, the measure was as much an example of policy learning as of political learning, whereby the surprise effect and the bypassing of social dialogue were striking.

The second case (adapted availability) came as a 'trick' by the government to apply activation for older unemployed persons, in particular those retired due to collective redundancies. As outright activation of the latter category would mean a severe clash with the trade unions and 'passive availability' would mean the government would back away from its own principles, a third category was to be invented. This face-saving aspect meant that the measure could be qualified as political learning, more than policy learning. However, policy learning factors were also present, under the form of the data mining capacity of the Flemish PES (allowing for detection of 'employable' sub-categories) and the retention of acquired rights of those activated and provisionally employed (consequence of experience and discussion between the social partners).

The third case (Youth Employment Plan) is the purest example of policy learning, as it was designed and implemented in times of political continuity and preceded by pilots (in turn inspired by ESF experiments) and banking on a close cooperation between government cabinet, administration, PES and the academic world and the consensus on early intervention to prevent the group of young hard-to-reach from becoming long-term unemployed. Tendering practices and guidance geared toward the characteristics of the specific groups were mainstreamed and the measure, dating from 2008, is still in use today.

Coming back to the hypothesis shown in table 1.2 (page 31), we learned that different forms of policy learning could be distinguished and adapted to different circumstances. The controversy of the issue as well as the degree of continuity in government (notably the ideological composition) both seem to be significant factors, moreover interrelated, for the shape, the requirements and the authorship of policy learning. Whereas for commonly understood problems, consensus could be reached by patient and in-depth studying, experimenting and piloting, for a highly controversial issue the suddenness of the decision is crucial, requiring at the same time a long and discreet preparation for the decision to stand the test of time. This means five key requirements and conditions for the policy learning infrastructure:

- A tradition of cooperation and acquaintance between decision makers and knowledge workers on domains likely to contain issues and problems to be solved in the medium and long-term;
- A mechanism to manage controversial issues by delegating them to bodies of knowledge which have sufficient authority and impartiality to engineer nuanced and effective solutions;

- A continuous mutual feeding between administrative bodies (such as the Ministerial Departments and the PES) and the academic world enabling them to produce data and scenarios with both insight-driven relevance and empirical evidence;
- A benchmarking between EU member states not only in terms of figures but also in terms of policy mechanisms underscoring measures and societal conditions for measures to have the desired effects.
- Internal dynamics within the nation state between regional authorities in a context of regional labour market disparities and devolution of political power.

Interview checklist

1. Respondent's position in the organization he/she works for & involvement or affinity with the issue & policy measure in question. Did the organization play a role in putting the issue on the agenda? Or in processing and implementing the measure?
2. Rationale: the reason why the policy measures have been designed, including the problems to be solved, pre-history, proponents and stakeholders, alternatives, intended effects.
3. Designing mode: bureaucratic proposals, study work, discussion rounds, feasibility assessment, monitoring and evaluation plot.
4. Type of input: ideology, power and lobbying, tradition, or evidence. How evidence-based were the decisions?
5. Circumstantial factors contributing to the measure (changed economics, political and public opinions,...)
6. Who were the initiators: politicians, social partners, knowledge institutions, lobbyists, policy advisors... Who were the opponents, did they influence or alter the final content or format of the decisions?
7. Type of evidence: scientific research, study work and data, failed or successful policy in the past, pilots and experiments, terrain experience, international benchmarking, higher (international) authority. Who has been delivering this evidence and what was the reason this evidence was brought to the fore?
8. Implementation prospects: costs; counteractions or abuse; skill and cooperativeness requirements of bureaucrats, stakeholders and target group.
9. Use of knowledge: has existing knowledge & know-how been used at fullest or to some extent left untapped? Why?
10. Has the EU been a source of evidence or inspiration? By advice, genuine research, conferences, think tanks, experiments?
11. Has an evaluation been made since the measure was launched? What does it show?
12. What is your perception of the measure? (way it was conceived; design; implementation; reception by the media and the public; effectiveness...)
13. What is your perception of the role Europe played in this measure? What is your perception of Europe's role in general?

Interviewed persons

Tom Bevers, Federal Department Employment; Chairman EMCO

Bart Buysse, Director-General of the Belgian Employers Federation (VBO)

Jan Denys, Director Communication & Public Affairs, Randstad

Philippe Diepvents, Advisor of the Socialist Trade Union (ABVV)

Steven Engels, European Semester, DG Employment

Dirk Reyntjes, Country Desk Benelux & France, DG Employment

Debbie Sanders, Advisor Flemish Public Employment Service (PES)

Chris Serroyen, Head of the Study Department of the Christian Trade Union (ACV)

Sonja Teughels, Senior Advisor of the Flemish Employers Federation (VOKA)

Liesbeth Van Parijs, Researcher HIVA - K.U.Leuven

Sarah Van Steenkiste, Researcher of Study Support Unit Employment (WSE), KU Leuven.

Lieven Van Wichelen, Cabinet Home Affairs of the Belgian Federal Government

Paul Windey, President of the National Labour Council (NAR)

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